

A bill for an act
relating to taxation; authorizing establishment of a tax increment financing
district in the city of South St. Paul subject to certain requirements.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY
OF SOUTH ST. PAUL; TAX INCREMENT FINANCING DISTRICT.**

Subdivision 1. **Authorization.** Notwithstanding the provisions of any other law,
the Housing and Redevelopment Authority of the city of South St. Paul may establish a
redevelopment tax increment financing district comprised of the properties included in the
existing Concord Street tax increment district in the city that are exempt under Minnesota
Statutes, section 469.179, subdivision 1, and were not decertified before July 1, 2009. The
district created under this section may be certified after August 1, 2009, and terminates no
later than December 31, 2024. The Housing and Redevelopment Authority of the city of
South St. Paul may create the district under this section only if it enters into an agreement
with Dakota County to pay the county annually out of the increment from this district an
amount equal to the tax that would have been payable to the county on the captured tax
capacity of the district had the district not been created.

Subd. 2. **Special rules.** The requirements for qualifying a redevelopment district
under Minnesota Statutes, section 469.174, subdivision 10, do not apply to parcels located
within the district. Minnesota Statutes, section 469.176, subdivisions 4j and 4l, do not
apply to the district. The original tax capacity of the district is \$354,945.

Subd. 3. **Authorized expenditures.** Tax increment from the district may be
expended to pay for any eligible activities authorized by Minnesota Statutes, chapter
469, within the redevelopment area that includes the district. All such expenditures are

S.F. No. 1881, as introduced - 86th Legislative Session (2009-2010) [09-3013]

2.1 deemed to be activities within the district under Minnesota Statutes, section 469.1763,
2.2 subdivisions 2, 3, and 4. The Housing and Redevelopment Authority of the city of South
2.3 St. Paul must collect the second half of the 2009 tax increment from the existing Concord
2.4 Street tax increment district and use the tax increment for eligible activities within the
2.5 redevelopment area.

2.6 Subd. 4. **Adjusted net tax capacity.** The captured tax capacity of the district must
2.7 be included in the adjusted net tax capacity of the city and county for the purposes of
2.8 determining local government aid and county program aid. The county auditor shall report
2.9 to the commissioner of revenue the amount of the captured tax capacity for the district at
2.10 the time the assessment abstracts are filed.

2.11 **EFFECTIVE DATE.** This section is effective upon compliance with Minnesota
2.12 Statutes, section 645.021, subdivision 3, by the governing body of the city of South St.
2.13 Paul.